

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 2429

December 11, 2009

SUMMARY OF BILL: Requires the county election commission to hold a referendum to approve annexation when, on its own initiative, a municipality proposes annexation by ordinance. The referendum must be held between 45 and 60 days after the receipt of a certified copy of the ordinance. Authorizes trial with or without a jury when challenging annexation by a municipality. Under current law these trials are heard without a jury.

ESTIMATED FISCAL IMPACT:

Increase Local Expenditures – Exceeds \$101,800*

Assumptions:

- The cost of a referendum is dependant on population size. However, local government expenditures are estimated to increase at least \$100,000 for costs associated with conducting referendums, including ballot printing, publication of public notices, and payments to poll workers.
- Approximately six contested annexation trials per year will be heard by a jury.
- Trials are estimated to last two days, with 14 jurors paid \$11 per day.
- Local government expenditures are estimated to increase at least \$1,848 for conducting jury trials (6 trials x 2 days x 14 jurors x \$11).

*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in cursive script, reading "James W. White".

James W. White, Executive Director

/kmc